# MINUTES OF THE UTAH INTERNATIONAL TRADE COMMISSION

Thursday, November 19, 2009 9:30 a.m. - Room 450 State Capitol

#### **Members Present:**

Sen. Mark B. Madsen, Senate Chair

Sen. Brent H. Goodfellow

Sen. Peter C. Knudson

Rep. Sheryl L. Allen, House Chair

Rep. Jackie Biskupski

Rep. Kerry W. Gibson

Rep. Eric K. Hutchings

Rep. Phil Riesen

Mr. Brian Farr

Mr. Brett W. Heimburger

Mr. Miguel R. Rovira

#### **Staff Present:**

Mr. Richard C. North, Policy Analyst

Mr. James L. Wilson, Associate General Counsel

Ms. Wendy L. Bangerter, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

#### 1. Commission Business

Chair Madsen called the meeting to order at 9:37 a.m.

**MOTION:** Rep. Allen moved to approve the minutes of the October 22, 2009 meeting. The motion passed unanimously. Sen. Knudson was absent for the vote.

#### 2. Asian Trade Pact Update

Mr. Brett Heimburger, Utah Office of International Trade & Diplomacy, updated the Commission on Utah's trade with Asia and gave a report about the Korean Free Trade Agreement. He emphasized the significance of the agreement to both countries because the duties on U.S. exports entering Korea are three times greater than those coming from Korea to the U.S. He stated that even though ratification of this agreement has great opportunities for U.S. exporters, the economy and other more critical issues are taking precedence on Congress' calendar. He reviewed efforts being made to show Congress the value of foreign trading partners to the United States and to further develop those foreign relationships.

#### 3. Resolution Relating To International Trade & State Governments

Rep. Allen introduced 2010 General Session draft resolution, "Concurrent Resolution on International Trade and State Governments." The proposed resolution encourages more federal recognition and support of state constitutional roles in domestic regulation as related to international trade treaties. She addressed specific lines in the resolution. She recommended the commission adopting the resolution.

**MOTION:** Rep. Riesen moved to recommend 2010 General Session draft resolution, "Concurrent Resolution on International Trade and State Governments" with a favorable vote.

Chair Madsen made several language-change recommendations.

**SUBSTITUTE MOTION:** Rep. Hutchings made a substitute motion to amend 2010 General Session draft resolution, "Concurrent Resolution on International Trade and State Governments." The motion passed unanimously. Rep. Gibson was absent for the vote.

Minutes of the Utah International Trade Commission November 19, 2009 Page 2

The original motion to favorably recommend the resolution passed unanimously. Rep. Gibson was absent for the vote.

#### 4. Utah International Trade Commission: Draft legislation

Rep. Hutchings proposed a change to the Utah International Trade Commission that would expand the scope of the Commission so Utah would have an effective contact and dissemination point for not only trade, but for other relationships and discussions with foreign countries. He invited input and advice from commission members.

Title 36, Chapter 26, Part 1, outlining the creation of the Utah International Trade Commission, was distributed.

Commission discussion followed.

#### 5. Federal and State International Trade Proposals

Mr. North distributed "Vermont Commission on International Trade and State Sovereignty" and "Clippings on Trade Act." He reviewed the issue of states working to be more involved in international trade treaty negotiations as well as in the development of procurement policies. He reviewed Vermont's recommendations to: 1) establish a new national consultation body between states and the federal government, and 2) develop regional commissions.

Mr. North referred to federal trade legislation, H.R. 3012, sponsored by congressman ,Mike Michaud, Chairman of the House Trade Working Group, which would change states' involvement in the process, require Congress to establish standards, and protect workers.

# 6. Utah World Trade Center Update

Mr. Lew Cramer, President & CEO, Utah World Trade Center, gave a brief update of trade center activities and planned trade and diplomatic events for 2010.

#### 7. Utah Exporter of the Month

Mr. Miguel Rovira, Director, International Trade Diplomacy Office for the Americas, GOED, introduced representatives from Quantronix, commonly referred to as CubiScan, an international corporation that was founded in 1987 and that provides digital dimensioning systems. The corporation currently has offices on three continents.

Mr. Clark Skeen, president, Quantronix, discussed CubiScan Sensing Devices that Quantronix produces and distributes. Cubing technology is used to optimize storage space, order fulfillment, and shipping. CubiScan has automated the measuring of freight (dimensioning the length, width, and height). Because cubing is a specialized application, Quantronix works mostly with small companies helping them be more profitable. He gave a slide presentation showing the cubing systems his corporation installs throughout the world. He told of the regulatory requirements for CubiScan's equipment, both in the United States and in Europe. CubiScan is required to go through periodic checks, but there are no procedures to have the

Minutes of the Utah International Trade Commission November 19, 2009 Page 3

equipment tested for accuracy and there is no universal testing standard. Quantronix requests the Commission's help in developing consistent regulations and reasonable standards both at the state and federal levels.

**MOTION:** Rep. Allen moved to recommend a study of consistent standards for monitoring weights and measures and recording of sales taxes on the Master Study Resolution for 2010 interim review. The motion passed unanimously. Rep. Hutchings, Rep. Gibson, and Rep. Riesen were absent for the vote.

# 8. Utah Trade Export Numbers

Mr. Craig Petersen, Director, Utah Office of International Trade & Diplomacy, gave a brief report on current trade figures for Utah businesses involved in international trade. He distributed "Utah Export Growth Comparison by Month."

# 9. Utah Legislative Policy On International Trade

Mr. North distributed "Utah Advisory Commission to Optimize State Government" and "General Responsibilities for the International Trade and Diplomacy Office." He reviewed legislative policy for promoting and managing international trade in Utah.

#### 10 Other Items / Adjourn

**MOTION:** Rep. Allen moved to adjourn the meeting. The motion passed unanimously. Rep. Hutchings, Rep. Gibson, and Rep. Riesen were absent for the vote.

Chair Madsen adjourned the meeting at 12:10 p.m.